



Rapid Manufacturing Initiative (RMI)

**SP0500-03-R-0124
Pre-Proposal Conference
December 3, 2003**



Agenda

0900 Welcome & Introductions

0930 Overview

Solicitation objectives

Proposal evaluation

Question and answers

1200 Break - lunch on your own

1300 Marketbasket Details

1600 Adjourn



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RMI Goals

- Lead-time reductions for a variety of long lead-time, competitive repair parts NSNs and critical troop support items at a reasonable price
- Inventory level reductions with near-time delivery, and cost reductions across the supply chain
- Increased production process and scheduling efficiencies.
- Improved part/ item availability including surge and sustainment



Scope

- Responds to Corporate direction for a responsive solution to low-volume parts support
- Focus on competitive, long-lead parts
 - All parts are active, but some are low demand
 - Candidate population about 27,000 NSNs
- Intent is to increase LTC coverage and improve response to customer demands



Target Population

- Competitive Items
- NSO and replenishment
 - Replenishment = demand driven
 - NSO = low demand items, purchased infrequently
- 60 day PLT or greater
- Buy projected within next 2 years
- Exclude parts already on LTCs
- Exclude NIB/NISH/8A/FPI items
- Exclude items requiring FAT, QPL, Rights Guard, etc.
- Exclude weapon system critical
- Exclude GFM, GFP, GFT, GFE



Selecting Marketbaskets

- Group size: 10 to 50 parts, but allow some larger/smaller
- ICPs: one per group except cloth covers C1.1080
- Buy Objective: At least \$10K/yr
- Technical review



Phase 1 Groups

<u>ICP</u> <u>Baskets</u>	<u>\$ Volume/yr</u>	<u>Parts</u>
DSCC 8	\$ ~ 1,635K	170
DSCR 9	\$ ~ 177K	140
DSCP 11	\$ ~ 1,050K	231



Acquisition Strategy

- DLA corporate contract approach
 - DSCP to award and administer
 - DSCP / DSCC / DSCR issue individual orders
- Long term contract arrangements
 - IDIQ, 5-year base period with (3) 2-year option periods
- Commercial contract structure



Key Details of the RFP

- Best Value Source Selection procedures
 - Price equally important to technical merit
 - Technical factor Past Performance
- 100% Total Small business set-aside



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Solicitation Details

Type of contract

- Commercial solicitation
- Firm-Fixed Price contract, with escalation provisions
- Indefinite Delivery - Indefinite Quantity (IDIQ)
 - Guaranteed minimum based on projected annual purchases
 - Amounts to be determined



Escalation Provisions

- Standard & Poors DRI Cost Analyzer
 - Global Insight
- *'PPI - All Commodities'*
 - applies to all items
 - not exceed 10% per year
- Industry suggestion?



Solicitation Goals

- One award per basket (all or none)
- Maintain SMS/RMI web site
 - Contract documents
 - Q&A
 - Other info
- Buy for stock (unplanned DVD by exception)
- Evaluation preference for HUB Zone firms
- Add/delete clause effective after award



SMS-RMI Web Page

Strategic Material Sourcing/Rapid Manufacturing Initiative - Microsoft Internet Explorer provided by CTC

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DEFENSE LOGISTICS AGENCY
The Warfighters Logistics Combat Support Agency

Defense Supply Center Philadelphia

General & Industrial S91

Strategic Material Sourcing/Rapid Manufacturing Initiative Class IX Repair Parts

Manufacturers are in demand!

Now, The Defense Logistics Agency is making it worthwhile for you to manufacture Class IX repair parts.

The **Defense Logistics Agency (DLA)** is offering indefinite delivery, indefinite quantity (IDIQ) long-term contracts for the manufacture of Class IX repair parts. Many of these spare parts have traditionally had long lead times, and DLA is looking for contractors who can offer competitive pricing AND reduce the production lead time (PLT) of these important made-to-order items.

Through **DLA's Rapid Manufacturing Initiative**, manufacturers of Class IX repair parts are in high-demand. Many Class IX parts were first manufactured decades ago and are needed only in limited quantities. If your company has the capability to improve upon PLT while offering competitive pricing of these spare parts, DLA's rapid Manufacturing Initiative is offering the following:

- Long-term contracts for long-term commitments
- Contracts that include a mix of low-demand and high-demand parts (to ensure the financial viability of your contract)
- Various "market baskets" of parts that group the repair parts by materials, processes, or other characteristics

Click here for the latest data:

[Phase 1 Data](#) [Phase 0 Data](#)

DSCP GENERAL & INDUSTRIAL Internet



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to manufacture Class IX repair parts.

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Click here for the latest data:

[Phase 1 Data](#) [Phase 0 Data](#)

Have questions? Click on the link below to submit your question.

[Industry Questions to DSCP](#)

POCs:

Ruth Herman, Contract Specialist	215-737-5582
Robert Zarrilli, Contracting Officer	215-737-5844
Sharyn Redding, Technical Lead	215-737-3227

Send comments to: giweb@dscpl.dla.mil
Last updated: September 23, 2003

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Address http://www.dscp.dla.mil/gi/smsrmi/Phase1.htm

DEFENSE LOGISTICS AGENCY
Hardware Textiles Medical
Clothing The Warfighters Logistics Combat Support Agency Food

Defense Supply Center Philadelphia

General & Industrial S9I

Phase 1

Strategic Material Sourcing/Rapid Manufacturing Initiative
Class IX Repair Parts

Solicitation	Supporting Data
RMI Phase 1 Solicitation - SP0500-03-R-00124	Drawing Request
Pricing Spreadsheet	FLIS Data
	Phase 1 Market Basket Data - Updated 11/25/03
	Phase 1 PID Data - Updated 11/25/03
	Quantity Unit Pack Codes
	Quality Control Codes
	Surge Data - Phase 1

Meetings and Conferences

Pre-Solicitation Conference Info - 10/01/03
Pre-Proposal Conference - 12/03/03



SMS-RMI Web Page Market Baskets

http://www.dscpl.dla.mil/gi/smsrmi/RMI%20Mkt%20Bskts.xls - Microsoft Internet Explorer provided by CTC

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A2 = 1710-40

	A	B	C	D	E	F	G	H	I	J	K	L	M
	Basket	Basket Name	NSN	ICP	UI	ItemName	Last_Buy Date	Historical PLT	ADQ	Next Buy (Yrs)	First Buy Date	First Yr Buys	First Yr
1	1710-40	Aviation supt equ	1710014431897	DSCC	EA	RUNWAY CABLE	2003178	240	574	0.22	11/20/2003	4.00	\$46,496
2	1710-40	Aviation supt equ	1740001390712	DSCC	EA	RAIL ASSEMBLY,EXTEN	1994200	263	2	2.00	8/29/2005	0.00	\$0
3	1710-40	Aviation supt equ	1740010852411	DSCC	EA	HOUSING,STOP	2002228	54	448	1.52	3/8/2005	0.00	\$0
4	1710-40	Aviation supt equ	1710008316822	DSCC	EA	PIN,TAPE CONNECTOR	2002283	66	93	1.18	11/4/2004	0.00	\$0
5	1710-40	Aviation supt equ	1710009366382	DSCC	EA	HOUSING,BEARING	2003010	215	6	4.00	8/30/2007	0.00	\$0
6	1710-40	Aviation supt equ	1740002495474	DSCC	EA	RETAINER,STRAP	2002221	92	9	3.33	12/29/2006	0.00	\$0
7	1710-40	Aviation supt equ	1740011457852	DSCC	EA	SKID,RAIL TYPE	2001031	89	400	0.82	6/24/2004	1.00	\$7,224
8	1710-40	Aviation supt equ	1740010409113	DSCC	EA	ADAPTER ASSEMBLY	1998134	248	29	1.72	5/20/2005	0.00	\$0
9	1710-40	Aviation supt equ	1740009166327	DSCC	EA	HANDLE,CRANK	1995074	123	2	0.50	2/28/2004	2.00	\$196
10	1710-40	Aviation supt equ	1740010073067	DSCC	EA	CART ASSY,BLADES	1999022	81	2	0.00	8/30/2003	2.00	\$2,140
11	1710-40	Aviation supt equ	1710000088001	DSCC	EA	TROUGH ASSEMBLY, AR	2000056	114	2	4.50	2/28/2008	0.00	\$0
12	1710-40	Aviation supt equ	1710003901864	DSCC	EA	PLATE,RETAINING	2003035	74	60	0.68	5/5/2004	1.00	\$735
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PID Data

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B2 = PLATE ASSEMBLY, TRANSITION, DUCT CONNECTING. IN

A	B	C	D	E
NSN	PID Data	Table	SDTP Data	NSN Type
4520001534694	PLATE ASSEMBLY, TRANSITION, DUCT CONNECTING. IN		81337 5-13-2088	P/N 5-13-2088 PC31
	ACCORDANCE WITH PIECE 31 OF U.S.ARMY NATICK			
	LABORATORIES MECHANICAL ENGINEERING DIV DRAWINGS			
	5-13-2088 AND 5-13-2089 WITH EXCEPTION THAT			
	DRAWING 5-13-2089 PIECE 31-4, 13/16 INCH			
	DIMENSION SHALL BE 1 INCH AND 1/2 INCH			
	DIMENSION SHALL BE 11/16 INCH. MATERIAL AND			
	FINISH SHALL BE AS CALLED FOR IN MILITARY			
	SPECIFICATION TITLED: "HEATER, DUCT TYPE,			
	PORTABLE, GASOLINE, 250,000 BTU".			
		CQ009		
		CS187		
4520001641323	IGNITER, SPARK, FUEL			
	DETROIT DIESEL CORP (72532)			
	REDFORD MI			
	P/N 5611416			
	GENERAL MOTORS CORP (70040)			
	AC ROCHESTER DIV			
	FLINT, MI			
	P/N 5611416			
		IS083		
4520002270029	HEATER WATER STEAM HOT WATER HEATED			
	FEED FWD CONTROL, 60 GAL/MIN MINIMUM RATED			
	CAPACITY, PERSONNEL USE (140 DEGREES) WITH			
	OVERTEMPERATURE SAFETY DEVICE AND MANUAL			
	RESET, FURNISHED WITH 2 1/2 INCH CLASS GPBCN,			
	150 POUND FLANGE STEAM LOADING VALVE.			
	LESLIE CONTROLS INC (35795)			
	TAMPA, FL			

1080 1710.40 2030 2540 4330 4440 4730-1 4730-2 PW.1B0 PW.1B0.3 PW.1B0.4 PW.1B0.1 P1

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Phase 1 Baskets

C1.1080	Cloth covers	P1.5305B	Fasteners
C1.1710	Aviation supt equ	P1.6220A	Panel Lights
C1.2090	Shipbd Furniture	P1.6220B	Vehicle
Lights			
C1.2540	Cloth covers	P1.6220C	Vehicle Lights
C1.4330	Filter assy	P1.6240	Lamp
C1.4440	Dessic/dehyd		
C1.4730A	Pipe fittings	R1.3439B	Brazing Alloy
C1.4730B	Pipe fittings	R1.3439C	Flux Solder
	R1.3455A	Bandsaw blades	
P1.4120	AC Control Equip	R1.3455B	Milling cutter
P1.4130A	Vent component	R1.3455C	Milling cutter
P1.4130B	Filter Assemblies	R1.3455D	Milling cutter
P1.4140	Fan	R1.3455E	Milling cutter
P1.4520	Ventilation Components	R1.5365A	Shim
P1.5305A	Fasteners	R1.5365B	Shim



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Solicitation Details- Evaluation Factors

Volume I - Technical Proposal:

- 1. Past Performance

Volume II - Business Proposal:

- 1. Price Proposal & Proposed Production Lead-times (PLT)
- 2. Offeror Qualifications, where applicable



RFP Technical Factors

Past Performance

(Volume I / Section 1)

- Similar / Same complexity within past 2 years
 - Point of Contact Information
 - Scope
 - Contract Information (No., \$ Value, Quantity)
 - Period of Performance
 - Item Description(s)
- Government or Commercial
- Level of Performance – Focusing on Timeliness and Quality
 - Ahead, On or Behind Schedule
 - Revised Schedules (Excusable or Inexcusable Delay)
 - Warranty Actions
- Applicable Small Business Programs
 - Subcontracting Plans
 - DLA Mentoring
- No Experience
 - Provide information relative to Key Management and/or Technical Personnel Experience
- DCMA records may be reviewed



Price Proposal

(Volume II, Section I)

- RFP Section B Requirements
 - One Price based on Offer Quantity on Pricing Worksheet
 - ADQ and MOQ are also included for your reference
 - Acceptance of Option Provision to Extend Basic IDIQ Contract
 - Basic - 5 year
 - (3) 2-year option periods must be accepted

IDIQ = Indefinite Delivery/Indefinite Quantity



Key Pricing Terms

- **ADQ (Annual Demand Quantity)**
 - Represents government's actual demand over the course of one year, based on historical data
- **MOQ (Minimum Order Quantity)**
 - Represents minimum qty that government will order at one time if there is any requirement for the item
- **Offer Quantity**
 - Represents quantity your offer should be based on – the larger of the ADQ or MOQ
 - If $ADQ = 0$, the NSO (Numeric Stock Objective) quantity was used to establish the Offer Quantity.



Other Unique Features

- Qualified Suppliers List
 - Fastener baskets only
- Manufacturer's identification symbol
 - Fastener baskets only
- Long Term contract vehicle with 5 year base and 3 two-year option periods



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Next Steps ...

25 Nov	Solicitation Release
3 Dec	Pre-Proposal Conference
26 Jan	Bids Close
March	First Awards <i>-tentative</i>

Watch the Web Site for details!

www.dscp.dla.mil/gi/smsrmi